

SunRaise

To whom it may concern,

My name is Robert Lambert, resident of Portsmouth, NH, native of Durham, NH, and alumni of the University of New Hampshire. In April of 2014 I co-founded SunRaise Investments; a solar financier based in Portsmouth that partners with schools, universities, municipalities, and affordable housing communities to both lower and stabilize their electric utility costs through solar energy.

SunRaise alleviates a significant barrier for these entities to transition to clean, reliable solar energy: the up-front cost. Income tax limitations and a lack of capital restricts the ability of non-profits and affordable housing communities to seriously consider the option of solar energy. SunRaise provides the project financing and the host customer uses the solar electricity at a below market rate of electricity over a 20-25 year period. This requires no cash outlay from the electricity user and has the additional benefits of long term savings and a hedge against volatile fossil fuel prices.

While this business model is successfully and consistently deployed in other states it has become increasingly difficult to adequately offer these services in New Hampshire. This is due to regulatory changes at the state level that exhibit a lack of support for renewable energy. For solar companies operating in New Hampshire, the target is constantly moving as they are met with lower incentive levels and program funds being frozen in specific circumstances. This inconsistency makes it difficult to move projects, with already narrow margins, forward as solar developers cannot provide their services in an effective manner.

Previous C&I Program

The previous C&I Category II program, which offered a rebate of \$0.65 per watt AC or 25% of the total project cost (whichever is lower) to solar projects was well designed. Under this program, with very competitive pricing, solar developers were able to offer 5-10% in electricity savings to their customers. This modest amount of savings means that developers must be more competitive with their pricing and provides assurance that the program is not being exploited by developers.

Proposed C&I Program

Under the proposed program the incentive reservation process would be significantly improved. It is necessary to streamline and simplify the initial application process so that the stakeholders of a project have the assurance they need that funds will be allocated to their project.

The new program proposes to reduce the C&I rebate for Category II projects to \$0.40 per watt AC and cap the rebate for one project at \$150,000. A step down of the incentive level over time is necessary as costs of solar installations decline. However, a reduction by \$0.25 per watt amounts to roughly a 38.5% reduction in the incentive which is a significant amount of capital to source in other ways. Additionally, capping the incentive at an \$150,000 places a burden on larger projects that aim to benefit more individuals, like community solar or projects for LMI communities.

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Rather than an immediate reduction from \$0.65 per watt to \$0.40 per watt, the incentive should step down over time as solar capacity is added under the program. For example, the incentive could drop by \$0.05 per watt for every 1 megawatt of solar capacity that is added under the program. The cap of \$150,000 should also be removed as it restricts the growth of larger scale solar that can stand to benefit a larger group of individuals, like community solar or LMI housing communities, in a more significant way.

Low-to-moderate Income Carve-out

There is also the issue of a lack of distinct support for projects that benefit low-to-moderate income (LMI) individuals and communities. In order to incentivize the development of this market there should be a carve-out in the budget for projects that directly benefit LMI homeowners and individuals. These solar projects would provide stability to those electric customers that are most affected by fluctuating electricity prices. A carve-out for LMI solar projects would signal solar industry stakeholders that the state supports and will incentivize the participation of these customers in the solar market, despite their obvious financial limitations in transitioning to solar energy.

I appreciate your time and consideration in this matter.

Please do not hesitate to reach out directly to me should you would like to discuss this matter in more detail.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Lambert", with a stylized flourish at the end.

Robert Lambert
Senior VP of Finance
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